

November 10, 2010

**ITEM NO. A1**

**AUTHORIZATION TO ENTER INTO A CONTRACT WITH MODEL METRICS AND  
SALESFORCE.COM TO IMPLEMENT A CLIENT MANAGEMENT TRACKING  
SYSTEM**

To the Honorable Board of Commissioners:

**RECOMMENDATION**

It is recommended that the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with Model Metrics, Inc. and Salesforce.com to provide a Client Management Tracking System in the total fixed-fee project amount of \$2,270,592 for the two year base term and the one year option term contemplated under the contract. The total funding request for \$2,270,592 covers the base and option terms and includes: (1) funding for the implementation phase of the project in the fixed-fee amount of \$990,780, and funding for optional Consulting Services in the amount of \$137,280, totaling \$1,128,060 for implementation phase services to be provided by Model Metrics, Inc.; and (2) funding for User License fees for the fixed-fee amounts of \$780,612 for the two year base term and \$361,920 for the option year term, for a total amount of \$1,142,532 to be provided by Salesforce.com.

**FUNDING**

Funding: General Fund

**Specification No.:** 10-00479

<b>Vendors:</b>	Model Metrics 600 West Chicago Avenue, Suite #750 Chicago, IL 60654	Salesforce.com The Landmark at One Market Suite 300 San Francisco, CA 94105
-----------------	---	--

<b>Contract Type:</b>	Fixed Fee (Including Option)	Fixed Fee
<b>Contract Amount:</b>	\$1,128,060	\$1,142,532
<b>Base Term:</b>	Two (2) Years - \$990,780	Two (2) Years
<b>Additional Services</b>		
<b>Option Term:</b>	TBD (Up to One (1) Year) - \$137,280	One (1) Year

**Date Advertised:** 1/25/10

**Proposal Due Date:** 3/3/10

**Date Proposal Opened:** 3/3/10

**Pre-Proposal Conference:** 2/11/10

**Advertisement Publication(s):** Chicago Sun-times, Chicago Defender, El Dia, CHA Website & BuySpeed

**Number of Vendors Solicited:** 106

**Number of Pick-ups:** 80

**M/W/DBE Participation:**

Direct      MBE 10.0 % WBE 10.0 % DBE   %  
 Indirect    MBE    % WBE    % DBE   %  
 Waiver        (Yes/No)

**Section 3:**

8 (#) Hiring    (\$) Subcontracting    (\$) Other Economic Opportunities

**GENERAL BACKGROUND**

To support the Plan for Transformation in 2004, CHA Resident Services implemented the web-based software application, Salesforce.com, to meet the needs of its Service Connector program. Over time, and through the transition to the Family Works program, Resident Services has added significant components to the Salesforce.com implementation. Most of the day-to-day activities performed by CHA Resident Services providers are conducted through the Salesforce.com platform. In 2005, CHA's Housing Choice Voucher program installed a separate instance of the Salesforce.com solution for its Call Center. The system allows HCV to track incoming phone calls through detailed notes and the creation of cases. These cases are then assigned to appropriate HCV personnel for resolution. Salesforce.com allows HCV to track the volume of cases, the percentage that are successfully resolved and any outstanding cases that should be escalated for proper resolution.

Although both Resident Services and the HCV program were using the same technology solution, the implementations are distinct and not integrated. While the Salesforce.com platform provides many benefits to Resident Services and HCV, the implemented solution left some key needs unmet, particularly being able to understand all actions that were impacting a participant over the course of their participation in CHA programs.

CHA began envisioning a new, comprehensive Client Management Tracking System (CMTS) that would provide a holistic overview of each resident and participant in CHA's housing programs. Over time, the vision became solidified as an integrated solution that would meet the ongoing needs of Contract and Case Management Services for Resident Services, Housing Choice Voucher Call Center, and other Customer Contact Tracking (e.g. Corporate Relations and Grants). Market research was conducted to better understand what technologies are available "out-of-the-box" and with minimum customization.

A variety of software vendors were contacted for information and product demonstrations. In addition, many internal interviews were conducted with current users of the Salesforce.com technology in the Housing Choice Voucher and Resident Services programs to understand how the software is being used and what new functionality might be beneficial to CHA. After reviewing the current market for Customer Relationship Management software technologies, including the product already in use by the CHA, a Request for Proposals (RFP) was issued by the CHA with detailed Business and Technical Requirements to ensure that potential vendors understood the complete business needs of the CHA.

## **PROCUREMENT HISTORY**

On January 25, 2010 the CHA advertised Request for Proposal No. 10-00479 for Client Management Tracking System services. The solicitation sought both Software and Implementation Services for the CMTS initiative. Prior to release of the RFP, over 40 potential bidders were contacted to encourage them to review the RFP, and possibly submit a bid if they were interested. On February 11, 2010, CHA held a Pre-Proposal Conference where 28 potential vendors attended in person and via conference call.

The initial due date for the proposals was March 1, 2010, however due to three addendums and two vendors requesting extensions, the due date was changed to March 3, 2010 at which time CHA received 8 separate proposals. The Evaluation Team, comprised of representatives from Information Technology Services, Resident Services, Housing Choice Voucher and Public Housing, reviewed each Proposal and provided their individual scoring results to Procurement.

The Procurement Department set a competitive range that resulted in six of the eight vendors being selected. After Oral Presentations were completed, all scoring was submitted and the second competitive range was set that resulted in two finalists to move forward through the negotiation process. The CMTS Team worked with both finalists on the development of a Statement of Work (SOW), including a detailed project schedule and pricing information that would assist CHA in selecting the vendor who would implement the best solution.

Upon careful evaluation of each of the vendor's software products, implementation approaches and pricing, the CMTS Team recommended Model Metrics as the proposed awardee for the Client Management Tracking System project. The determination was based upon technical, pricing and other factors, and was the result of the evaluation team's conclusion that Model Metrics' proposal represented the best solution and overall value to the CHA for the CMTS project. Model Metrics' Best and Final offer proposes Salesforce.com's "Software as a Solution" (SAAS) product, which is a 100% outsourced, hosted solution. The Salesforce.com software solution was most cost effective with a less complicated pricing model and significantly lowers total cost of ownership. For the end user, the system is easier to navigate, very user friendly and appealing. For the power users and technical staff, the product is much easier to manage, configure and extend when changes are needed. Finally, Salesforce.com and Model Metrics are proven partners with the CHA with a demonstrated implementation history.

Based on the foregoing, it is in the best interest of the CHA to enter a contract with Model Metrics, Inc. and Salesforce.com to provide a Client Management Tracking System in the total fixed-fee project amount of \$2,270,592, which includes funding for the two year base and the respective options for: (i) Salesforce.com licensing for year 3 of the agreement; and (ii) additional consulting services from Model Metrics that would be expected to be completed within one year of the CHA's exercise of the optional consulting services, when and if elected. Specifically, this request includes funding for the implementation phase of the project in the fixed-fee amount of \$990,780 with optional Consulting Services in the amount of \$137,280 with Model Metrics, Inc., and User License fees with Salesforce.com for a total fixed-fee amount of \$780,612 for the two year base term and \$361,920 for the option year term.

**RESOLUTION NO. 2010-CHA-137**

**WHEREAS**, the Board of Commissioners has reviewed Board Letter dated November 10, 2010 entitled “AUTHORIZATION TO ENTER INTO A CONTRACT WITH MODEL METRICS AND SALESFORCE.COM TO IMPLEMENT A CLIENT MANAGEMENT TRACKING SYSTEM”

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** It is recommended that the Board of Commissioners authorizes the Chief Executive Officer or his designee enter a contract with Model Metrics, Inc. and Salesforce.com to provide a Client Management Tracking System in the total fixed-fee project amount of \$2,270,592, which includes funding for the two year base term and one option year. This authorization includes funding for the implementation phase of the project in the fixed-fee amount of \$990,780, with optional Consulting Services in the amount of \$137,280 with Model Metrics, Inc., for a total of \$1,128,060, and also includes funding for User License fees with Salesforce.com in the amount of \$780,612 for the two year base term and \$361,920 for the option year term, for a total fixed-fee amount of \$1,142,532.

